

SIDLEY & AUSTIN

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

1722 EYE STREET, N.W.

WASHINGTON, D.C. 20006

TELEPHONE 202: 429-4000

TELEX 89-463 14719

REGISTRATION NO. 1135

JUN 28 1985 10 13 AM

INTERSTATE COMMERCE COMMISSION

June 28, 1985

ONE FIRST NATIONAL PLAZA
CHICAGO, ILLINOIS 60603
312: 853-7000 TELEX 25-4364

2049 CENTURY PARK EAST
LOS ANGELES, CALIFORNIA 90067
213: 553-8100 TELEX 18-1391

520 MADISON AVENUE
NEW YORK, NEW YORK 10022
212: 418-2100 TELEX 97-1696

31 ST. JAMES'S SQUARE
LONDON, SW1Y 4JR, ENGLAND
44-1: 930-5596 TELEX 21781

P.O. BOX 190
MUSCAT, SULTANATE OF OMAN
968: 722-411 TELEX 5266

P.O. BOX 4619
DEIRA, DUBAI-U.A.E.
9714-283194 TELEX 47216

5 SHENTON WAY
SINGAPORE 0106
65: 224-5000 TELEX 28754

P.O. BOX 8650
RIYADH, SAUDI ARABIA
966-1-463-4160 TELEX 204947

SIDLEY & AUSTIN & NAGUIB
AHMED NESSIM STREET, 3
GIZA, CAIRO, EGYPT
202: 729-499 TELEX 93750

Mr. James H. Bayne
Secretary
Interstate Commerce Commission
Room 2215
12th and Constitution Avenue
Washington, D.C. 20423

Dear Mr. Bayne:

Enclosed herewith are an original and one copy of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the United States Code.

The document is a deed of trust agreement, a primary document, dated June 19, 1985.

The names and addresses of the parties to the Deed of Trust are as follows:

Owner Lessor: CONTAINER PORT OF ALBERTA
RESEARCH CORPORATION
2737 Toronto Dominion Tower
Edmonton, Alberta, CANADA
T5J 2H1

Trustee: THE CANADA TRUST COMPANY
110 Yonge Street
Toronto, Ontario, CANADA
M5C 1T4

A description of the equipment covered by the Deed of Trust follows:

Type of Equipment: Five-Pak Articulated Intermodal
Budd/Thrall LO-PAC 2000 Well
Flat Cars

Counter part:

J. A. Kertter

Mr. James H. Bayne
June 28, 1985
Page 2

Specifications:	CN Freight Equipment General Specification SS-1974 revised July, 1976, CN Specification F 50-20 dated September, 1984, Builder's Proposal dated 22 October, 1984, and Builder's letters of 22 October (2), 26 October, 8 November, 1984, 7, 8, 15 January, 6 February, and 12 March, 1985 and CN letter of 4 February, 1985.
Quantity:	82
Identification Marks:	"OWNERSHIP SUBJECT TO SECURITY AGREEMENTS FILED WITH REGISTRAR GENERAL OF CANADA AND I.C.C."
Lessee's Road Numbers (Both Inclusive)*:	CN 683200 through CN 683589; CN 637000 through CN 637019

A fee of \$10.00 is enclosed. Please return the original after recordation to the undersigned at the address listed above.

A short summary of the Deed of Trust to appear in the index follows:

"Deed of trust between CONTAINER PORT OF ALBERTA RESEARCH CORPORATION, 2737 Toronto Dominion Tower, Edmonton, Alberta, Canada, T5J 2Z1, and THE CANADA TRUST COMPANY, 110 Yonge Street, Toronto, Ontario, Canada, M5C 1T4, dated June 19, 1985, covering 82 well flat cars."

Very truly yours,

James G. Pachulski
James G. Pachulski

Enclosures

* Each unit has 5 platforms and each platform is numbered consecutively.

14719

RECORDATION NO. _____, PAGE 1425

JUN 28 1985 - 10 45 AM

INTERSTATE COMMERCE COMMISSION

EXHIBIT E
to
Participation Agreement

DEED OF TRUST

Dated as of June 19, 1985

Between

THE CANADA TRUST COMPANY

and

CONTAINER PORT OF ALBERTA RESEARCH CORPORATION

THIS DEED OF TRUST dated as of June 19, 1985 by and between CONTAINER PORT OF ALBERTA RESEARCH CORPORATION, a company duly incorporated under the laws of Canada (hereinafter called the "Owner-Lessor") and THE CANADA TRUST COMPANY, a trust company duly incorporated under the laws of Canada, as trustee (hereinafter called the "Trustee").

WHEREAS:

The Owner-Lessor will concurrently herewith enter into a Conditional Sale Agreement (the "CSA") with National Steel Car Limited (the "Builder") whereby the Owner-Lessor will agree to purchase and the Builder will agree to sell units of railroad equipment as described in the CSA (the "Equipment").

The Owner-Lessor will pay on each Closing Date (as defined in the CSA) 27% of the Purchase Price (as defined in the CSA) of the Equipment then being delivered and pursuant to the provisions of the CSA the Builder will retain the property in and title to the Equipment until the Purchase Price therefor has been paid in full.

The Owner-Lessor will concurrently herewith enter into a Lease of Railroad Equipment with Canadian National Railway Company (the "Lessee") with respect to the Equipment (the "Lease").

The Owner-Lessor has requested the Trustee to create a trust with respect to which the Trustee will act as trustee.

Subject to the provisions hereof and as contemplated in that Participation Agreement made on the date hereof among the Owner-Lessor, the Builder, the Lessee, the Trustee and London Life Insurance Company (the "Participation Agreement"), the Trustee will create, issue and sell Secured Equipment Notes (as defined herein) and, from the proceeds of sale thereof, will pay to the Builder an amount equal to the Balance of the Purchase Price (as defined in the CSA) in consideration of the assignment by the Builder to the Trustee of its right, title and interest in the CSA pursuant to the provisions of an assignment of the CSA substantially in the form of Annex A hereto (the "CSA Assignment").

The Owner-Lessor will assign its right, title and interest in the Lease to the Trustee pursuant to an assignment of lease in the form of Annex B hereto (the "Lease

Assignment") to secure the obligations of the Owner-Lessor under the CSA and the due payment of the Secured Equipment Notes in accordance with their terms.

The Trustee will hold all monies received by it together with the property in and title to the Equipment in trust for the holders of the Secured Equipment Notes, until the Secured Equipment Notes and all other amounts owing under the Deed of Trust shall have been paid in full.

All necessary authorizations for the entering into execution, delivery and performance hereof have been obtained.

NOW, THEREFORE, in consideration of the above premises and of the covenants hereinafter made, the parties hereto have agreed with each other as follows:

ARTICLE I

Declaration of Trust

SECTION 1.1. The Trust. The Trustee hereby declares that the sum of \$10 together with all other property or rights acquired hereunder are held in trust for the benefit of the persons and upon the terms and conditions hereinafter provided. All of such property constitutes and is herein referred to as the Trust Estate.

SECTION 1.2. No Recourse against Trustee. Subject to the Trustee exercising, in the discharge of its duties hereunder, that degree of care, diligence and skill that a reasonably prudent trustee would exercise in comparable circumstances, the holders of Secured Equipment Notes (the "Noteholders"), the Owner-Lessor or any other party asserting rights with respect to the trust hereby created or the obligations hereunder, against the Trustee, may only do so to the extent of the Trust Estate and nothing herein shall be construed as giving any right to any person to make or assert any claim against the Trustee's property, except for the Trust Estate.

ARTICLE II

Issue of Secured Equipment Notes

SECTION 2.1. Authority to Issue Secured Equipment Notes. The Owner-Lessor hereby authorizes and directs the Trustee and the Trustee hereby agrees to create and issue up to \$14,600,000 principal amount of secured equipment notes (the "Secured Equipment Notes"). The Secured Equipment Notes will be sold to the Lenders pursuant and subject to the provisions of the Participation Agreement. The Secured Equipment Notes are secured by the Trust Estate and will be in the form and have the attributes hereinafter set forth.

SECTION 2.2. Rate of Interest. The Secured Equipment Notes will bear interest at the rate of 11.5% per annum calculated semi-annually, in arrears, on April 27 and October 27 in each year.

SECTION 2.3. Signatures. The Secured Equipment Notes shall be signed by any two officers of the Trustee.

SECTION 2.4. Form. The Secured Equipment Notes issued hereunder shall be in fully registered form as to both principal and interest.

The Secured Equipment Notes shall be dated the date of their respective issue and, except as otherwise provided in Section 2.5, shall bear interest at the rate set forth in Section 2.2, payable semi-annually on April 27 and October 27 of each year, from the date of their respective issue.

SECTION 2.5. Initial Interest Period. For the period between, and including, the date of issue up to and including, October 26, 1985, interest at the rate of 0.0315068% for each day elapsed, will be paid on October 27, 1985.

SECTION 2.6. Registers. The Trustee will maintain at its office in the City of Toronto (i) a register of holders in which shall be kept the names and addresses of the holders of Secured Equipment Notes and the particulars of the Secured Equipment Notes held by them respectively and (ii) a register of transfers in which shall be kept the details of all transfers of Secured Equipment Notes.

SECTION 2.7. Transfer. No transfer of a Secured Equipment Note shall be valid or in any way have any effect on the Trustee unless made on such register of transfers by the registered holder or by its legal representative or its

attorney duly appointed by an instrument in writing, in form, and as to execution, satisfactory to the Trustee, and upon compliance with such reasonable requirements as the Trustee may prescribe, and upon surrender of such Secured Equipment Note to the Trustee for cancellation, whereupon a new Secured Equipment Note or Secured Equipment Notes of the same aggregate principal amount and so registered shall be issued to the transferee in exchange therefor. For all purposes hereof, the ownership of the Secured Equipment Notes shall be proven by such register of transfers and by the registration noted on the Secured Equipment Notes.

SECTION 2.8. Effect of Registration. The registered holder of a Secured Equipment Note shall be deemed and regarded as the owner thereof for all purposes of this Deed of Trust and shall be entitled to the principal monies and interest evidenced by same free from all equities or rights of set-off or counterclaim, if any, between the Trustee, or the Owner-Lessor, and its transferor or any previous holder thereof. The Trustee will not be bound nor required to look into any trust with respect to the Secured Equipment Notes notwithstanding any notation appearing thereon.

SECTION 2.9. Replacement. In case any Secured Equipment Note hereby shall become mutilated or be lost or destroyed, the Trustee shall issue and deliver to the person or persons whose name or names is, or are entered in the register referred to in Section 2.6 hereof as holder or holders of such Secured Equipment Note, a new Secured Equipment Note of like tenor as the one mutilated, lost or destroyed, in exchange for and in place of and upon cancellation of such mutilated Secured Equipment Note, or in lieu of and substitution for such lost or destroyed Secured Equipment Note.

SECTION 2.10. Indemnity. In the case of loss or destruction, the applicant for a substituted Secured Equipment Note shall, as a condition precedent to the issue thereof, furnish to the Trustee such evidence of ownership and of such loss or destruction as shall be satisfactory to the Trustee, in its discretion, and such applicant shall also furnish indemnity in amount and form satisfactory to it in its discretion and shall pay the expenses which may be incurred by it and its reasonable charges in the premises, provided that if such applicant shall be an insurance company or other institutional investor with assets of at least \$100,000,000, the indemnity of such applicant in form reasonably satisfactory to the Trustee shall be sufficient.

SECTION 2.11. Notices to Noteholders. All notices given hereunder to the Noteholders shall be deemed validly given if sent by first-class mail, postage prepaid, addressed to such holders at their respective post-office addresses appearing in the register of holders above-mentioned and, in the case of joint owners, to the first named of such holders in the register of holders. Every such notice shall be deemed to have been given on the third day following its mailing.

SECTION 2.12. Attributes of Secured Equipment Notes. The Secured Equipment Notes shall be substantially in the form set out in Article XVIII hereof, with such variations and additions, if any, as shall be required; be dated as provided in the second paragraph of Section 2.4 hereof; mature on October 27, 2003, unless previously redeemed in accordance with the provisions of Article III hereof; bear interest from the date of their issue at the rate of 11.5% per annum calculated and payable semi-annually on April 27 and October 27, commencing on April 27, 1986, subject to the provisions of Section 2.5; be issued in fully registered form only in any denomination of not less than \$100,000; be numbered in such manner as the Trustee may determine; and shall be payable in accordance with the schedule of repayment comprising principal and interest set forth in Article XVIII hereof; and shall not be prepayable except as hereinafter provided in Article III. The Trustee will furnish to each Noteholder upon the execution and delivery hereof and upon any partial prepayment of the Secured Equipment Notes pursuant to Article III hereof, a schedule or a revised schedule, as the case may be, showing the respective amounts of principal and interest payable on each subsequent payment date, which schedules shall be and be deemed to form part of the Secured Equipment Notes issued hereunder.

SECTION 2.13. Method of Payments. All payments to be made on account of the Secured Equipment Notes, whether on a payment date, on a declaration or otherwise, shall be made in funds immediately available at or prior to noon local time to the Noteholders at their addresses appearing in the register of holders (or to the first named of such holders, in the case of joint holders) or, if required by a Noteholder, by way of wire transfer to a bank situated in either Toronto or London, Ontario.

SECTION 2.14. Exchange. Secured Equipment Notes of any authorized denomination may be exchanged for an equal aggregate principal amount of Secured Equipment Notes in any other authorized denomination or denominations without charge. All Secured Equipment Notes tendered for exchange

pursuant to this Article II shall be surrendered to the Trustee for cancellation.

SECTION 2.15. Evidence of Payments. The payment of instalments of principal and interest on the Secured Equipment Notes or any prepayment of principal may be noted thereon as therein provided; provided, however, that prior to any sale, assignment or transfer of any Secured Equipment Note, the holder thereof shall make a notation of all payments or prepayments of principal and interest on such Secured Equipment Note and that the records of the Trustee shall be conclusive proof as to the amounts of principal and interest paid on or in respect of the Secured Equipment Notes issued and outstanding hereunder.

ARTICLE III

Prepayment of Secured Equipment Notes

SECTION 3.1. Prepayment on Casualty Occurrence. Whenever any unit of the Equipment shall suffer a Casualty Occurrence (as defined in Section 7 of the Lease), the Trustee shall, promptly after having been informed thereof, notify the Noteholders in writing with respect thereto and the Trustee shall, from the proceeds of the payment of the Casualty Value (as provided and defined in the Lease), redeem and prepay a principal amount of Secured Equipment Notes which bears the same proportion to the aggregate principal amount of Notes at the time outstanding as the Purchase Price of the unit of Equipment (as defined and set forth in the CSA) which has suffered the Casualty Occurrence bears to the total Purchase Price of all of the Equipment then subject to the Lease; any such prepayment shall be effected proportionately among all Noteholders. The balance of any cash deposited with the Trustee pursuant to the Lease Assignment upon a Casualty Occurrence shall be paid over by the Trustee to the Owner-Lessor. The Trustee will promptly furnish to each of the Noteholders a revised schedule of payments of principal and interest thereafter.

Forthwith upon receipt by the Trustee of the appropriate payment from the Lessee, the Trustee will also execute and deliver to or upon the order of the Owner-Lessor all such documents as may be necessary or reasonably required to transfer to the Lessee clear and absolute title to any unit of Equipment having suffered a Casualty Occurrence, as contemplated by Section 7 of the Lease.

SECTION 3.2 Redemption on October 27, 2000.

Without restriction to the foregoing, all, but not less than all, of the Secured Equipment Notes will be redeemed at a redemption price equal to their principal amount together with accrued and unpaid interest at the time, on October 27, 2000, if the Lessee exercises its option to purchase the Equipment pursuant to the first paragraph of Section 15 of the Lease. Forthwith upon receipt by the Trustee of the full amount referred to above, the Trustee will execute and deliver to or at the order of the Owner-Lessor all such documents as may be necessary or reasonably required to transfer to the Lessee clear and absolute title to the Equipment.

SECTION 3.3. Notices. Not less than fifteen

days' prior notice of any prepayment to be made on any April 27 or October 27 pursuant to Section 3.1 above shall be given to the Noteholders by the Trustee in the manner specified in Section 2.11 hereof together with a statement as to the amount of principal to be repaid on such date. No redemption of the Secured Equipment Notes pursuant to Section 3.2 above shall be made unless notice thereof shall have been given to the Noteholders in the manner specified in Section 2.11 above at least 160 days prior to the day fixed for a redemption.

ARTICLE IV

Trust Estate

SECTION 4.1. CSA Assignment.

The Owner-Lessor hereby authorizes and directs the Trustee to enter into the CSA Assignment. The Trustee agrees to enter into the CSA Assignment and to hold the right, title and interest in and to the CSA and the property in and title to the Equipment subject to the trust and the provisions hereof. The obligations of the Owner-Lessor under the CSA, including the payment of the Balance of the Purchase Price, will be deemed to have been completely satisfied when the Secured Equipment Notes and all other amounts owing under the Deed of Trust have been repaid in full and the Owner-Lessor will then become the absolute owner of the Equipment subject to the fulfilment of its obligations hereunder.

SECTION 4.2. Lease Assignment.

The Owner-Lessor hereby authorizes and directs the Trustee to enter into the Lease Assignment. The Trustee agrees to enter into the Lease Assignment and to hold the right, title and interest thereby acquired in the Lease subject to the trust and the provisions hereof.

SECTION 4.3. Use of Funds Received by Trustee.

The Trustee agrees to use all monies received by it as follows: (i) all monies received by it pursuant to the issue and sale of the Secured Equipment Notes to the Lenders shall be applied by the Trustee to the payment contemplated in Section 4 of the CSA Assignment in order to acquire the right, title and interest of the Builder in and to the CSA; (ii) all monies received by it as rental payments, as same are required to be paid under the Lease, pursuant to the Lease Assignment will be applied to the payments required to be made to the Noteholders forthwith upon receipt thereof by the Trustee, until all monies owing under the Secured Equipment Notes have been paid in full; (iii) all monies received by it upon the occurrence of a Casualty Occurrence, as same are required to be paid under the Lease, will be applied forthwith upon receipt thereof by the Trustee, as contemplated in Section 3.1 hereof; (iv) all monies received by it upon the exercise by the Lessee of its option pursuant to the first paragraph of Section 15 of the Lease, will be applied on October 27, 2000 as contemplated in Section 3.2 hereof; and (v) all other monies, if any, received by the Trustee pursuant to the Lease, including without restriction monies received by the Trustee from the Lessee further and pursuant to the exercise by the Lessee of its option under the second paragraph of Section 15 of the Lease, the CSA or otherwise which may become part of the Trust Estate will, subject to monies received upon a Casualty Occurrence which will be remitted to the Owner-Lessor as provided in Article III, be held by the Trustee in trust as security for the Noteholders until all the Secured Equipment Notes have been paid in full and will then be remitted to the Owner-Lessor.

SECTION 4.4. Beneficiaries of Trust. Until such time as all the Secured Equipment Notes have been paid in full the Trustee will hold the Trust Estate for the exclusive benefit of the Noteholders to secure the payment of the Secured Equipment Notes.

SECTION 4.5. Further Assurances. The Owner-Lessor shall forthwith, and from time to time, execute and deliver all deeds and documents and do all things which in the opinion of the legal advisers of the Trustee are necessary or advisable for giving the Trustee or the Noteholders the security intended to be created by this deed, and for conferring upon the Trustee such powers over the Trust Estate as are hereby expressed to be conferred.

ARTICLE V

Possession and Use of Equipment

SECTION 5.1. Rights of Lessee. Nothing herein shall be construed as a restriction of the right of quiet enjoyment, use and possession of the Equipment conferred upon the Lessee by Sections 1, 4 and 12 of the Lease, which right is absolute and will continue until the termination of the Lease, provided that no Event of Default has occurred or is continuing under the Lease.

SECTION 5.2. Rights of Owner-Lessor. After the termination of the Lease and the payment in full of all amounts payable under the Secured Equipment Notes and subject to the fulfilment by the Owner-Lessor of its obligations hereunder, the Owner-Lessor will become the absolute owner, and have the right to the quiet enjoyment, use and possession of the Equipment.

ARTICLE VI

Representation of the Owner-Lessor as to Rentals and Other Payments Under the Lease

The Owner-Lessor hereby represents that the rentals provided for in the Lease which have been assigned to the Trustee pursuant to the Lease Assignment, are sufficient to pay the full amount of the principal of and interest on the Secured Equipment Notes as the same become due and that the Casualty Values provided for in the Lease on any Rental Payment Date (as defined in Section 3 of the Lease) in respect of all the Equipment thereunder are sufficient to pay the full amount of the unpaid principal of the Notes outstanding on any such date in all circumstances.

ARTICLE VII

Certain Covenants of the Owner-Lessor

The Owner-Lessor hereby covenants and agrees that:

SECTION 7.1. Title to Trust Estate. The Owner-Lessor is not aware of any liens or encumbrances whatsoever which may affect the Equipment or the rest of the Trust Estate other than such as may be created by the CSA and the Lease, and their respective assignments to the Trustee, it

has good right and lawful authority to enter into this Deed of Trust, the CSA, the CSA Assignment, the Lease and the Lease Assignment, and it will, if requested to do so, warrant and defend the title to the Trust Estate against the claims and demands of all persons whatsoever, the whole subject to the rights of the Lessee under the Lease.

SECTION 7.2. Default by Lessee. In the event that the Lessee defaults in the performance of its obligations under the Lease and that as a result of such default, the monies, if any, coming into possession of the Trustee are insufficient to allow it to pay as the same become due all amounts payable under the Secured Equipment Notes, then the Owner-Lessor shall, on demand, pay or cause to be paid to the Trustee such amount as will enable the Trustee to fulfill its obligations under the Secured Equipment Notes in the manner provided for herein and in the Secured Equipment Notes.

SECTION 7.3. Trust Estate Documents. The Owner-Lessor shall perform all its obligations under each of the CSA, the CSA Assignment, the Lease and the Lease Assignment in accordance with their respective terms.

SECTION 7.4. Registration. The Owner-Lessor, with all convenient speed, at its expense will duly record, register, file, rerecord, reregister and refile this Deed of Trust and any deed supplemental hereto which hereafter may be executed and any bill or agreement of sale with respect to the Trust Estate as may be required by law in order to protect the interest of the Trustee in and the lien hereof on the Trust Estate.

SECTION 7.5. Modification to Lease. The Owner-Lessor shall not enter into any amendment or modification of, or supplement to, the Lease, or waive compliance by the Lessee with any of the provisions thereof, without the prior written consent of the Trustee authorized by Noteholders' Instrument (as defined in Article XIX hereof).

SECTION 7.6. Taxes and Other Expenses. The Owner-Lessor shall forthwith upon the written request of the Trustee pay to the Trustee as part of the Trust Estate all amounts required by it in order to pay the income taxes on the trust created hereby, if any, and the reasonable expenses and fees of the Trustee for administration of the trust, including the amounts referred to in Paragraph 13 of the Participation Agreement, the whole to the extent that the Trust Estate is insufficient to enable the Trustee to make such payments as same become due.

ARTICLE VIII

Default and Remedies

SECTION 8.1. Remedies. In the event that there is Declaration of Default under the CSA, the Trustee may in its discretion and shall, upon receipt of the written request to do so by Noteholders' Instrument, declare the principal amount of the Secured Equipment Notes to be immediately due and payable and whether such declaration has been made, exercise all the remedies contemplated in the Lease and the CSA, it being agreed and understood that an Event of Default under the Lease will constitute for all purposes hereof and thereof a default of the Owner-Lessor under the CSA unless the Owner-Lessor shall remedy such default of the Lessee forthwith upon being notified of same.

SECTION 8.2. Waiver of Default. In the event that there is an Event of Default under the Lease or that a Declaration of Default is in effect under the CSA, the Noteholders by Noteholders' Instrument shall have power to require the Trustee to waive the default, and in such event the Trustee shall thereupon waive the default unconditionally or upon such terms and conditions as such Noteholders' Instrument shall prescribe or the Noteholders shall have power by Noteholders' Instrument to direct the Trustee to cancel any declaration made by it pursuant to the provisions of Section 8.1 hereof, provided always that no act or omission either of the Trustee or of the Noteholders shall extend to or be taken in any manner whatsoever to affect any subsequent default or the rights resulting therefrom.

SECTION 8.3. Realization and Application of Funds. The monies arising from any sale or realization of the Trust Estate, including the Equipment whether under any sale by the Trustee or by judicial process or otherwise or by the exercise of any other remedy provided for in the CSA or the Lease, shall be applied, together with any other monies then in the hands of the Trustee available for such purpose, in the first place to pay or reimburse to the Trustee the costs, charges, expenses, borrowings, advances and compensation of the Trustee in or about the execution of its trust or otherwise in relation to these presents with interest thereon as herein provided, and the residue of the said monies shall be applied:

- (a) first, to the payment equally and ratably of the unpaid interest on the Secured Equipment Notes; and

- (b) second, to the payment equally and ratably of the unpaid principal of the Secured Equipment Notes.

SECTION 8.4. Endorsement of Notes. The Trustee shall have the right at the time it makes any payment required by this Article VIII to demand of the person claiming such payment the production of the actual Secured Equipment Note under which it claims such payment be made, and shall cause to be endorsed on the same a memorandum of the amount so paid and the date of payment, but the Trustee may in its discretion dispense with such production and endorsement in any special case, upon such indemnity being given as it shall deem sufficient, provided, that if such applicant shall be an insurance company or other institutional investor with assets of at least \$100,000,000, the indemnity of such applicant in form reasonably satisfactory to the Trustee shall be sufficient.

SECTION 8.5. Effect of Sale of Equipment. Upon any sale of the Equipment made in pursuance of the exercise of any of the remedies provided for in the CSA or the Lease, the principal of all the Secured Equipment Notes issued hereunder and then outstanding, if not previously declared due, shall immediately become due and payable, anything in the Secured Equipment Notes or in this Deed of Trust to the contrary notwithstanding.

SECTION 8.6. Trustee may use name of Owner-Lessor. Without any restriction whatsoever to the powers conferred upon the Trustee under the Lease pursuant to the Lease Assignment, or the powers conferred upon it under the CSA pursuant to the CSA Assignment, and to the extent necessary, the Owner-Lessor hereby irrevocably appoints the Trustee to be the attorney-in-fact of the Owner-Lessor, after occurrence of an Event of Default under the Lease or if a Declaration of Default is in effect under the CSA, for and in the name and on behalf of the Owner-Lessor to execute and do any deeds, documents, transfers, conveyances, assignments, assurances, consents, and things which the Owner-Lessor ought to sign, execute and do hereunder and generally to use the name of the Owner-Lessor in the exercise of all or any of the powers hereby conferred on the Trustee with full powers of substitution and revocation.

SECTION 8.7. Expenses of Trustee. The Trustee shall have the right in its discretion to proceed in its name as Trustee hereunder in the enforcement of rights constituted hereby or in any remedy provided by law, whether by legal proceedings or otherwise but it shall not be bound to do or

to take any act or action in virtue of the powers conferred on it by these presents unless and until it shall have been required so to do by Noteholders' Instrument defining the action which it is required to take, and the Trustee may, before taking such action, require such Noteholders to deposit with the Trustee the Secured Equipment Notes held by them for which the Trustee shall issue receipts. The obligation of the Trustee to commence or continue any act, action or proceedings for the purpose of realizing upon the Trust Estate, including the Equipment or for the enforcement of any covenant or obligation under or arising out of these presents or of the Secured Equipment Notes shall, at the option of the Trustee, be conditional upon the Noteholders or any one or more of them furnishing, when required in writing by the Trustee, Trustee's Indemnification. For the purposes hereof "Trustee's Indemnification" means sufficient funds, in the opinion of the Trustee, to commence, continue and carry out any act, action or proceeding and indemnity satisfactory to the Trustee to protect and hold harmless the Trustee against all costs, charges, expenses and liabilities to be incurred as a result of any such act, action or proceeding and any loss or damage it may sustain by reason thereof.

SECTION 8.8. Limited Liability of Trustee. The Trustee shall not be responsible or liable, otherwise than as a trustee and then only to the extent of the Trust Estate, for any debts contracted by it, for damages to persons or property or for salaries or nonfulfillment of contracts during any period wherein the Trustee shall manage the Trust Estate, including the Equipment upon entry, as herein provided, nor shall the Trustee be liable to account as a mortgagee in possession or for anything except actual receipts or be liable for any loss on realization, and the Trustee shall not be bound to do, observe or perform or to see to the observance or performance by the Owner-Lessor of any of the obligations or covenants herein imposed upon the Owner-Lessor, unless and until the security hereby created has become enforceable and the Trustee shall have become bound to enforce the same and shall have been kept supplied with monies reasonably necessary to provide for the expenses of the required action and with satisfactory indemnity as aforesaid.

SECTION 8.9. Third Parties. No person dealing with the Trustee or its agents shall be concerned to inquire whether the powers which the Trustee is purporting to exercise have become or are properly exercisable, or whether any money remains due upon the Secured Equipment Notes, or as to the necessity or expediency of the stipulations and conditions subject to which any sale shall be made, or otherwise

as to the propriety or regularity of any sale or of any other dealing by the Trustee with the Trust Estate or to see to the application of any money paid to the Trustee, and, in the absence of fraud on the part of such person, such dealing shall be deemed, so far as regards the safety and protection of such person, to be within the powers hereby conferred upon the Trustee and to be valid and effectual accordingly.

SECTION 8.10. Appointment of Agents. In the event that there occurs and remains continuing an Event of Default under the Lease or if there shall be in effect a Declaration of Default under the CSA and the Trustee shall be exercising any of the remedies contemplated thereunder, the Trustee may in its discretion and shall, upon receipt of a Noteholders' Instrument to such effect, by writing appoint a receiver of the Trust Estate, or any part thereof, and may remove any receiver so appointed by it and appoint another in his stead and the following provisions shall take effect:

- (a) such appointment may be made at any time after the security shall have become enforceable and either before or after the Trustee shall have entered into or taken possession of the Trust Estate or any part thereof but such appointment shall be revoked upon the direction in writing of the Noteholders by Noteholders' Instrument;
- (b) every such receiver may be vested with all or any of the powers and discretions of the Trustee, all such powers to be exercised subject to the provisions hereof;
- (c) the Trustee may from time to time fix the remuneration of every such receiver and direct the payment thereof out of the Trust Estate or the proceeds thereof;
- (d) the Trustee may from time to time require any such receiver to give security for the performance of his duties and may fix the nature and amount thereof, but it shall not be bound to require such security;
- (e) every such receiver may, with the consent in writing of the Trustee and the written consent of the Noteholders then outstanding as evidenced by a Noteholders' Instrument, borrow money for the purpose of the maintenance of the Trust Estate or any part or parts thereof

or for any other purposes approved by the Trustee and Noteholders, and may issue certificates (herein called "Receiver's Certificates") for such sums as will in the opinion of the Trustee and said holders be sufficient for obtaining upon the security of the Trust Estate the amounts from time to time required, and such Receiver's Certificates may be payable either to order or to bearer and may be payable at such time or times as to the Trustee may appear expedient, and shall bear interest as shall therein be declared, and the receiver or the Trustee may sell, pledge or otherwise dispose of the same in such manner as to the Trustee may seem advisable and may pay such commission on the sale thereof as to it may appear reasonable, and in the name of and as attorney-in-fact for the Owner-Lessor may hypothecate, mortgage, pledge, charge or otherwise grant security upon the whole or any part of the Trust Estate, but subject always to the rights of the Noteholders' Instrument, grant priority to the holders of Receiver's Certificates, as security for the repayment of the monies borrowed upon such Receiver's Certificates, and interest thereon, which security may be granted either at the time of or subsequent to the borrowing of said monies; provided always that in the exercise of the powers and duties conferred upon the Trustee by this Article VIII, the Trustee shall be bound to observe and act in accordance with the written directions and instructions of the Noteholders then outstanding, as evidenced by Noteholders' Instrument, if and whenever any such directions or instructions shall be given; and

- (f) save so far as otherwise directed by the Trustee, all monies from time to time received by such receiver shall be paid over to the Trustee to be held by it on the trusts of these presents.

SECTION 8.11. Remedies not Exclusive. No remedy herein conferred upon or reserved to the Trustee, or upon or to the Noteholders or pursuant to the Lease or the CSA, is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now existing or hereafter to exist by law or by statute.

SECTION 8.12. Further Liability of Owner-Lessor.
Without restriction to Section 7.2, the Owner-Lessor covenants and agrees with the Trustee that in the case of any foreclosure proceedings or other proceedings to enforce the rights of the Trustee hereunder, judgment may be rendered against it in favour of the Noteholders hereunder or in favour of the Trustee, as trustee of an express trust for the Noteholders hereunder, for any amount which may remain due in respect of the Secured Equipment Notes and the interest and other monies owing thereon, after the application to the payment thereof of the proceeds of any sale of the property covered hereby.

ARTICLE IX

Concerning the Trustee

SECTION 9.1. Effect of Legislation.

(1) In this Article, the term "Applicable Legislation" means the provisions, if any, of any statute of Canada or a province or territory thereof, and of regulations under any such named or other statute, relating to trust indentures and/or to the rights, duties and obligations of trustees under trust indentures and of corporations issuing debt obligations under trust indentures, to extent that such provisions are at the time in force and applicable to this Deed of Trust.

(2) If and to the extent that any provision of this Deed of Trust limits, qualifies or conflicts with a mandatory requirement of Applicable Legislation, such mandatory requirement shall prevail.

(3) The Owner-Lessor and the Trustee agree that each will at all times in relation to this Deed of Trust and any action to be taken hereunder observe and comply with and be entitled to the benefits of Applicable Legislation.

(4) In addition to the reports, certificates, opinions and other evidence required by this Deed of Trust, the Owner-Lessor shall furnish to the Trustee such additional evidence of compliance with any provision hereof, and in such form, as may be prescribed by Applicable Legislation or as the Trustee may reasonably require by written notice to the Owner-Lessor.

(5) Whenever Applicable Legislation requires that evidence referred to in subsection (4) of this section be in the form of a statutory declaration, the Trustee may accept such statutory declaration in lieu of a certificate of the Owner-Lessor required by any provision hereof. Any such statutory declaration may be made by one or more of the chairman of the board, president, executive vice-presidents, vice-presidents, secretary, treasurer, assistant secretaries or assistant treasurers of the Owner-Lessor.

SECTION 9.2 Limits of Rights and Duties of Trustee. By way of supplement to the provisions of the laws of Canada and the provinces and territories thereof for the time being relating to trustees, it is expressly declared as follows, that is to say:

- (a) in the exercise of its rights and duties, the Trustee may, if it is acting in good faith, rely as to the truth of the statements and the accuracy of the opinions expressed therein, upon statutory declarations, opinions, reports, certificates or other evidence furnished to the Trustee pursuant to any provision hereof, the CSA, the Lease, the CSA Assignment, the Lease Assignment or of Applicable Legislation or pursuant to a request of the Trustee provided that such evidence complies with the relevant provisions, if any, of Applicable Legislation and that the Trustee examines the same and determines in good faith that such evidence complies with the applicable requirements of this Deed of Trust;
- (b) in the exercise of the rights and duties prescribed or conferred by the terms of this Deed of Trust, the Trustee shall, except as herein expressly otherwise provided, exercise that degree of care, diligence and skill that a reasonably prudent trustee would exercise in comparable circumstances;
- (c) that the Trustee shall not be liable for or by reason of any failure or defect of title to or any encumbrance upon the Trust Estate, including the Equipment, or for or by reason of the statements of facts or recitals in this Deed of Trust or in the Secured Equipment Notes contained, or be required to verify the same; but all such statements and recitals are and

shall be deemed to have been made by the Owner-Lessor only;

- (d) that the Trustee may, acting reasonably, for the execution of the duties and powers conferred upon it hereunder appoint or employ, attorneys, bankers, receivers, lawyers, agents or other persons as it shall reasonably require, but the Trustee shall not be responsible for any misconduct on the part of any such attorney, banker, receiver, lawyer, agent or other person appointed by it hereunder, or bound to supervise the proceedings of any such other appointee;
- (e) that the Trustee shall not be bound to give notice to any person or persons of the execution hereof or of the rights and duties created by these presents unless and until the Trustee shall have become obligated to enforce its rights hereunder;
- (f) that, upon using the proceeds of sale of the Secured Equipment Notes in accordance with clause (i) of Section 4.3 hereof, the Trustee shall have no further liability with respect thereto;
- (g) that, in the event of the Owner-Lessor making an unauthorized assignment, or in the event a trustee, receiver or liquidator in respect to the Owner-Lessor's properties being appointed under the Bankruptcy Act or the Winding-Up Act or the Canada Business Corporations Act, or in the event of the Owner-Lessor making a compromise or arrangement under the Companies' Creditors Arrangement Act, the Trustee, if directed to do so by Noteholders' Instrument but subject to the rights of the Lessee, including the rights to purchase the Equipment, as set forth in the second paragraph of Section 15 of the Lease, will exercise its rights under the CSA, terminate the rights of the Owner-Lessor thereunder and act as directed by Noteholders' Instrument;
- (h) that the Trustee shall be obliged to act and shall act and be fully protected in acting upon the instructions, requests or directions of the Noteholders given by Noteholders'

Instrument in connection with any proceedings, act, power, right, matter or thing relating to or conferred by or to be done under this Deed of Trust;

- (i) the Trustee may from time to time delegate to any corporation or person which it may select with reasonable care the performance of any of the trusts and powers vested in it by these presents and the Trustee shall not be in any way responsible for any loss incurred by the misconduct or default of any such delegate or as a result of such delegation; and
- (j) if requested by any Noteholder, the Trustee shall be obliged to give to such Noteholder or persons designated by it or to their officers or authorized agents, free access to and communication of the Trustee's records relating to these presents and all matters connected therewith.

SECTION 9.3. Trustee's Representations and Covenants.

(1) The Trustee represents to the Owner-Lessor that at the time of the execution and delivery hereof no material conflict of interest exists in the Trustee's role as a fiduciary hereunder and agrees that in the event of a material conflict of interest arising hereafter it will, within 90 days after ascertaining that it has such material conflict of interest, either eliminate the same or resign its trust hereunder.

(2) Subject to subsection (1) of this Section 9.3, the Trustee, in its personal or any other capacity, may buy, lend upon and deal in securities of the Owner-Lessor and generally may contract and enter into financial transactions with the Owner-Lessor or any subsidiary without being liable to account for any profit made thereby.

(3) The Trustee will furnish to the Noteholders, forthwith upon receipt, all reports and notices received by it from the Lessee under the Lease or the Lease Assignment or from the Owner-Lessor under the CSA or the CSA Assignment.

ARTICLE X

Suits and Proceedings by Trustee and Noteholders

SECTION 10.1. Not Necessary to have Notes. All rights of action under this Deed of Trust may be enforced by the Trustee without the possession of the Secured Equipment Notes or the production thereof at the trial or other proceedings relative thereto.

SECTION 10.2. Legal Action by the Trustee. The Trustee shall have power to institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient to preserve its rights and to perform its duties hereunder.

SECTION 10.3. Idem. No delay or omission of the Trustee, or of any Noteholder, to exercise any right or power accruing under any circumstance, shall impair any such right or power, or shall be construed to be a waiver of any right hereunder or an acquiescence therein and every power and remedy given hereby to the Trustee or to the Noteholders may be exercised by it and/or them from time to time and as often as may be deemed expedient by it and/or them.

ARTICLE XI

Appointment of New Trustee

SECTION 11.1. Successor Trustee. Any Trustee may at any time resign its rights and duties hereunder by not less than three months' notice in writing to the Owner-Lessor, or by such shorter notice as the Owner-Lessor may be willing to accept, and the Owner-Lessor, may, subject as herein provided, at any time appoint in writing a new Trustee, approved by Noteholders' Instrument, in the place of any Trustee so resigning, becoming bankrupt or going into liquidation or otherwise becoming unfit to act or desiring to be discharged from the trusts hereof; and in the event of the Owner-Lessor failing so to do within five days after being thereunto requested or, if such vacancy shall occur after default, such appointment shall be made by the Noteholders by Noteholders' Instrument, who shall also have the power by a similar instrument to remove at any time the Trustee and to appoint a new Trustee. Any such new Trustee without further act shall be vested and have all the property, right, powers and authority granted to the Trustee hereunder and be subject in all respects to the terms, conditions and provisions thereof. And it is agreed that the Trustee hereunder shall

always be a trust company having capacity and power to administer the trusts hereof with an office in the City of Montréal or the City of Toronto and qualified to carry on business as a trust company in each of the provinces of Canada. The expression "Trustee" herein shall include any new or successor trustee appointed pursuant to this Section 11.1.

SECTION 11.2. Merger of Trustee. Any corporation into which the Trustee may be merged or which it may be consolidated or amalgamated, or any corporation resulting from any merger, consolidation or amalgamation to which the Trustee shall be a party, shall be the successor Trustee under this Deed of Trust without the execution of any instrument or any further act.

ARTICLE XII

Investment of Trust Monies

Unless otherwise provided in this Deed of Trust, any monies held by the Trustee, which under the trusts of these presents may or ought to be invested, shall be invested and reinvested by the Trustee in its name or under its control in any bonds or obligations which are a direct obligation of the Government of Canada or in commercial paper of the highest rating of issuers having outstanding publicly held debt securities rated AA or equivalent by a nationally or internationally recognized rating service or shall be placed by the Trustee on deposit in an interest bearing Canadian dollar account in a Canadian chartered bank or trust company or in certificates of deposit having a maturity not more than 90 days after the date of purchase issued or guaranteed by a Canadian chartered bank or, with the consent of the Noteholders given by Noteholders' Instrument, may be held by the Trustee subject to the payment of interest at such rate as may be agreed upon by the Trustee and the Owner-Lessor. Pending an investment as aforesaid, monies may be deposited in the Deposit Department of the Trustee.

ARTICLE XIII

Termination of Trust

Termination. These presents and the estate and rights hereby granted shall cease, determine and be void and the Trustee shall at the request and at the expense of the Owner-Lessor cancel and discharge this Deed of Trust and

execute and deliver to the Owner-Lessor such deeds or other instruments as shall be requisite to satisfy the charges hereof and to effect the cancellation of the registration hereof and to reconvey to the Owner-Lessor the Trust Estate, if all monies owing under the Secured Equipment Notes have been paid in full or if the Lessee, having exercised its rights under the second paragraph of Section 15 of the Lease, has assumed to the satisfaction of the Trustee and of the Noteholders expressed by Noteholders' Instrument, all of the obligations of the Trustee under the Secured Equipment Notes. Notwithstanding anything herein to the contrary contained, unless previously terminated, the trust hereby constituted shall terminate 21 years after the death of the youngest descendant, living today, of Elizabeth R.

The registrar of any registration division in which any properties affected by this Deed of Trust are situated shall discharge and cancel the registration of any hypothecation, mortgage, pledge, charge, cession, transfer or assignment created hereby or hereafter created under the provisions hereof upon the registration of any discharge, release or document to that effect signed by the Trustee, without being obliged to see that any of the conditions of this Deed of Trust have been fulfilled.

ARTICLE XIV

Trustee's Expenses

The Trustee acknowledges and declares itself satisfied that its expenses incurred in and about the execution of the trusts hereby created will be paid to it in accordance with Paragraph 13 of the Participation Agreement; the Trustee may retain the Trust Estate until such time as its expenses have been paid in full.

ARTICLE XV

Correction of Errors

The Owner-Lessor and the Trustee may correct typographical, clerical or other manifest errors in this Deed of Trust, provided that such correction shall in the opinion of the Trustee in no way prejudice the rights of the Trustee or the Noteholders hereunder or the rights of the Lessee under the Lease, and the Owner-Lessor and the Trustee may execute all such documents as may be necessary to correct such errors.

ARTICLE XVI

Governing Law

This Deed of Trust shall be governed by the laws of Ontario.

ARTICLE XVII

Formal Date

This Deed of Trust may be referred to as being dated as of June 19, 1985, notwithstanding the actual date of its execution.

ARTICLE XVIII

Form of Notes

Notes: The following is the form of the Secured Equipment

(This Note has not and will not be qualified for sale to the public under the securities laws of Canada or in any province thereof and has not been and will not be registered under the Securities Act of 1933 and accordingly may not be offered or sold in contravention of the provisions of the securities laws of Canada or any province thereof or in the United States of America)

THE CANADA TRUST COMPANY
(as trustee only pursuant to a deed of trust
and not in its personal capacity)

11.5% SECURED EQUIPMENT NOTE

No.

\$

THE CANADA TRUST COMPANY (the "Trustee"), as trustee under a Deed of Trust entered into as of the 19th day of June, 1985 (the "Deed of Trust") between itself and CONTAINER PORT OF ALBERTA RESEARCH CORPORATION (the "Company") and not in its personal capacity, for value received promises to pay to the registered holder hereof on

or before October 27, 2003, in instalments as hereinafter provided, or on such earlier date as the principal monies become payable in accordance with the provisions hereof and of the Deed of Trust, [principal amount]

Dollars (\$), in lawful money of Canada, by way of cheque mailed to such registered holder in accordance with the provisions of the Deed of Trust, and to pay interest thereon (before as well as after maturity) from the date hereof, in like money as aforesaid, at the rate of 11.5% per annum, on April 27 and October 27 in each year, commencing on October 27, 1985, together with interest on all overdue principal or interest at the rate of 11.5% per annum.

The principal hereof shall be due and payable in semi-annual instalments on April 27 and October 27 in each year, commencing on April 27, 1986, and terminating on October 27, 2003, calculated as set forth herein. Such payments of principal shall be subject to prepayment as set forth in Article III of the Deed of Trust. Pursuant thereto, the Trustee has covenanted to furnish to the holder hereof a revised schedule of instalments of principal and interest which may be required in the event of prepayment of principal, such schedule or revised schedule, as the case may be, to be and be deemed to form part of this Note.

Since partial payments of principal on this Note are not required to be noted hereon, inquiry should be made at the principal office of the Trustee in Toronto as to the principal amount at any time remaining unpaid hereon.

This Note is one of an issue designated "11.5% Secured Equipment Notes", limited to a principal amount of \$14,600,000, issued and secured pursuant to the Deed of Trust. The Trustee is acting thereunder and with respect to this Note as trustee only and no recourse may be had against the Trustee except to the extent of the Trust Estate, as defined in the Deed of Trust.

All Notes at any time outstanding rank pari passu and are equally and ratably secured by the Deed of Trust.

Subject to the provisions of the Deed of Trust, Notes of any authorized denomination may be exchanged for other Notes in any other authorized denominations equivalent to the aggregate principal amount of the Notes so exchanged at the principal office of the Trustee in Toronto. Any Notes so tendered for exchange shall be surrendered to the Trustee for cancellation.

This Note is subject to the terms of the Deed of Trust, to all of which reference is hereby made and the holder, by acceptance hereof, assents.

IN WITNESS WHEREOF, THE CANADA TRUST COMPANY, as trustee only and not in its personal capacity, has caused this Note to be signed by two of its authorized officers and to be dated the day of , 1985.

THE CANADA TRUST COMPANY

by _____

by _____

SCHEDULE OF REPAYMENT
(assuming \$1,000,000 principal amount)

<u>Date of Payment</u>	<u>Amount of Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Balance of Principal</u>
1. October 27, 1985	Interest at 11.5% per annum from Closing Date	-	-	1,000,000
2. April 27, 1986	66,190	8,690	57,500	991,310
3. October 27, 1986	66,190	9,190	57,000	982,120
4. April 27, 1987	66,190	9,718	56,472	972,402
5. October 27, 1987	66,190	10,277	55,913	962,125
6. April 27, 1988	66,190	10,868	55,322	951,257
7. October 27, 1988	66,190	11,493	54,697	939,764
8. April 27, 1989	66,190	12,154	54,036	927,610
9. October 27, 1989	66,190	12,853	53,338	914,758
10. April 27, 1990	66,190	13,592	52,599	901,166
11. October 27, 1990	66,190	14,373	51,817	886,793
12. April 27, 1991	66,190	15,200	50,991	871,594
13. October 27, 1991	66,190	16,073	50,117	855,520
14. April 27, 1992	66,190	16,998	49,192	838,522
15. October 27, 1992	66,190	17,975	48,215	820,547
16. April 27, 1993	66,190	19,009	47,181	801,539
17. October 27, 1993	66,190	20,102	46,088	781,437
18. April 27, 1994	66,190	21,258	44,933	760,179
19. October 27, 1994	66,190	22,480	43,710	737,700
20. April 27, 1995	66,190	23,772	42,418	713,927
21. October 27, 1995	66,190	25,139	41,051	688,788
22. April 27, 1996	66,190	26,585	39,605	662,203
23. October 27, 1996	66,190	28,113	38,077	634,090
24. April 27, 1997	66,190	29,730	36,460	604,360
25. October 27, 1997	66,190	31,439	34,751	572,920
26. April 27, 1998	66,190	33,247	32,943	539,673
27. October 27, 1998	66,190	35,159	31,031	504,514
28. April 27, 1999	66,190	37,181	29,010	467,334
29. October 27, 1999	66,190	39,318	26,872	428,015
30. April 27, 2000	66,190	41,579	24,611	386,436
31. October 27, 2000	66,190	43,970	22,220	342,466
32. April 27, 2001	69,099	49,407	19,692	293,059
33. October 27, 2001	69,099	52,248	16,851	240,811
34. April 27, 2002	69,099	55,252	13,847	185,559
35. October 27, 2002	69,099	58,429	10,670	127,130
36. April 27, 2003	69,099	61,789	7,310	65,342
37. October 27, 2003	69,099	65,342	3,757	-
	2,400,296	1,000,000	1,400,296	

(FORM OF NOTATION ON NOTES WITH RESPECT
TO PAYMENTS ON ACCOUNT OF PRINCIPAL)

(Indicate below
whether fixed
instalment or
prepayment) _____

Due Date

Amount paid

Balance of
Principal
Unpaid

Notation
Made by:

(FORM OF NOTATION ON NOTES WITH
RESPECT TO INTEREST PAYMENTS)

The interest instalments payable on this Note on
the dates below specified have been paid.

Due Date of Interest Instalment

Notation made by:

FORM OF TRANSFER

FOR VALUE RECEIVED, the undersigned hereby sells,
assigns and transfers unto

the within Note, hereby irrevocably constituting and
appointing

attorney-in-fact, to transfer the said Note on the books of
the within-mentioned Trustee, with full power of substitution
in the premises.

Dated

In the presence of:

ARTICLE XIX

Noteholders' Instrument

SECTION 19.1. Noteholders' Instrument. All actions which may be taken and all powers which may be exercised by the Noteholders as herein provided shall be exercised by a resolution in writing signed in one or more counterparts by the holders of not less than (i) 100% of the principal amount of all outstanding Secured Equipment Notes in respect of any change in interest rate, terms of payment or maturity of the Secured Equipment Notes, (ii) more than 50% of such principal in respect of a declaration of default under Section 8.1 hereof, and (iii) 66 2/3% of such principal amount in all other cases. Such resolution is herein referred to as a "Noteholders' Instrument".

SECTION 19.2. Binding Effect of Instrument. Every Noteholders' Instrument shall be binding upon all the Noteholders, whether signatories thereto or not, and each and every Noteholder and the Trustee (subject to any provisions for its indemnity herein contained) shall be bound to give effect accordingly to every such Noteholders' Instrument.

ARTICLE XX

Notices and Payments

SECTION 20.1. Notice and Payments to Trustee. Any payment to be made hereunder to the Trustee shall be made with The Canada Trust Company to account #010-512285 designated as "The Canada Trust Company - Trustee, Secured Equipment Notes", at its offices in Montréal, Toronto or London, Ontario. All documents deliverable hereunder to the Trustee, including a Noteholders' Instrument, shall be delivered to it at 110 Yonge Street, Toronto, Ontario, M5C 1T4, Attention of Manager Corporate Trust Department, or as the Trustee may otherwise specify.

SECTION 20.2. Notice and Payments to Noteholders. Any notice to the Noteholders hereunder shall be given in accordance with Section 2.11 hereof. Any payment to be made to the Noteholders hereunder shall be made in accordance with Section 2.13 hereof.

SECTION 20.3. Notice and Payments to Owner-Lessor. Any notice or payment to be given or made to the Owner-Lessor hereunder shall be delivered or mailed to it at 2737 Toronto Dominion Tower, Edmonton, Alberta, T5J 2Z1, Attention of the President.

IN WITNESS WHEREOF the parties hereto have executed this Deed of Trust.

Signed, sealed and
delivered in the
presence of:

CONTAINER PORT OF ALBERTA
RESEARCH CORPORATION

by: 

THE CANADA TRUST COMPANY

by: _____

and by: _____

SECTION 20.3. Notice and Payments to Owner-Lessor. Any notice or payment to be given or made to the Owner-Lessor hereunder shall be delivered or mailed to it at 2737 Toronto Dominion Tower, Edmonton, Alberta, T5J 2Z1, Attention of the President.


IN WITNESS WHEREOF the parties hereto have executed this Deed of Trust.

Signed, sealed and delivered in the presence of:

CONTAINER PORT OF ALBERTA
RESEARCH CORPORATION

by: _____


THE CANADA TRUST COMPANY

by:  _____

AUTHORIZED SIGNATURE

and by:  _____

AUTHORIZED SIGNATURE

APPROVED AS TO
FORM AND CONTENT 

PROVINCE OF ONTARIO)
)
CITY OF TORONTO)
)

On this 19th day of June, 1985, before me personally appeared Marjorie Strutt, to me personally known, who being by me duly sworn, says that she is Senior Corporate Trust Officer of The Canada Trust Company, that one of the seals affixed to the foregoing instrument is the seal of the said company, that the said instrument was signed and sealed on behalf of the said company by authority of its Board of Directors, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said company.



Notary Public

(Seal)
My Commission does not
expire

PROVINCE OF ONTARIO)
)
CITY OF TORONTO)
)

On this 19th day of June, 1985, before me personally appeared Eva Lusky, to me personally known, who, being by me duly sworn, says that she is Corporate Trust Officer of The Canada Trust Company, that one of the seals affixed to the foregoing instrument is the seal of the said company, that the said instrument was signed and sealed on behalf of the said company by authority of its Board of Directors, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said company.




Notary Public

(Seal)
My Commission does not
expire

PROVINCE OF ALBERTA ,)
CITY OF EDMONTON) ss.:

On this 19 day of JUNE, 1955, before me personally appeared A. TUTTUP, to me personally known, who, being by me duly sworn, says that he is PRESIDENT of CONTAINER PORT OF ALBERTA RESEARCH CORPORATION, that one of the seals affixed to the foregoing instrument is the seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Notary Public

[Seal]

My Commission Expires:

LIST OF ANNEXES

Annex A	CSA Assignment
Annex B	Lease Assignment

ANNEX A

ASSIGNMENT OF CONDITIONAL SALE AGREEMENT

Dated as of June 19, 1985

Among

NATIONAL STEEL CAR LIMITED

and

THE CANADA TRUST COMPANY

and

CONTAINER PORT OF ALBERTA RESEARCH CORPORATION

paid by the Trustee to the Builder, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained, the parties hereto agree as follows:

SECTION 1. Assignment. The Builder hereby assigns, transfers and sets over unto the Trustee its successors and assigns:

- (a) all the right, property, title and interest of the Builder in and to each unit of the Equipment manufactured by it when and as severally delivered to and accepted by the Owner-Lessor, subject to payment by the Trustee to the Builder of the amount required to be paid pursuant to Section 4 hereof and Paragraph 2 of the Participation Agreement and of the amounts due to the Builder under subparagraph (a) of the fourth paragraph of Article 4 of the CSA;
- (b) all the right, title and interest of the Builder in and to the CSA (except the right to construct and deliver the Equipment, the right to receive the payments specified in subparagraph (a) of the fourth paragraph of Article 4 thereof, the indemnity of the Builder pursuant to Article 13 of the CSA and reimbursement for taxes paid or incurred by the Builder), and except as aforesaid in and to any and all amounts which may be or become due or owing to the Builder under the CSA on account of the Balance of the Purchase Price of the Equipment and interest thereon, and in and to any other sums becoming due from the Owner-Lessor under the CSA, other than those hereinabove excluded; and
- (c) except as limited by subparagraph (b) of this paragraph, all the Builder's rights, titles, powers, privileges and remedies under the CSA, but none of its covenants or obligations thereunder;

without any recourse hereunder, however, against the Builder for or on account of the failure of the Owner-Lessor to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the CSA, provided, however, that this CSA Assignment shall not subject the Trustee to, or transfer, or pass, or in any way affect or modify, the obligations of the Builder to construct or deliver the

ASSIGNMENT OF CONDITIONAL SALE AGREEMENT dated as of June 19, 1985, among NATIONAL STEEL CAR LIMITED, a body corporate duly existing under the laws of Canada (the "Builder"), THE CANADA TRUST COMPANY, a trust company duly existing under the laws of Canada, acting as trustee and not in its personal capacity (the "Trustee") and CONTAINER PORT OF ALBERTA RESEARCH CORPORATION, a body corporate duly existing under the laws of Canada (the "Owner-Lessor").

WHEREAS:

The Owner-Lessor and the Builder have entered into a Conditional Sale Agreement dated as of the date hereof (the "CSA"), substantially in the form of Exhibit A to that Participation Agreement dated as of the date hereof (the "Participation Agreement"), among the Lessee (as defined herein), the Owner-Lessor, the Trustee, the Builder and London Life Insurance Company (the "Lender"); pursuant to the CSA, the Builder has agreed to manufacture, sell and deliver to the Owner-Lessor, and the Owner-Lessor has agreed to purchase, the units of railroad equipment described in Annex B thereto (the "Equipment").

The Trustee is acting as trustee under a Deed of Trust dated as of the date hereof (the "Deed of Trust") executed between the Owner-Lessor and the Trustee, substantially in the form of Exhibit E to the Participation Agreement.

The Owner-Lessor will enter into a Lease of Railroad Equipment dated as of the date hereof with Canadian National Railway Company, a body corporate duly existing under the laws of Canada (the "Lessee"), substantially in the form of Exhibit B to the Participation Agreement (the "Lease").

The Builder agrees to assign to the Trustee its right, title and interest in the CSA, including the property in and title to the Equipment, in consideration of an amount equal to the Balance of the Purchase Price (as defined in the CSA) paid by the Trustee from the proceeds of the issue by it of Secured Equipment Notes (as defined in the Deed of Trust).

NOW, THEREFORE, THIS AGREEMENT AND ASSIGNMENT (this "CSA Assignment") WITNESSETH: that in consideration of the sum of One Dollar and other good and valuable consideration

Equipment in accordance with the CSA or with respect to its warranties and agreements referred to in Article 13 of the CSA or relieve the Owner-Lessor from its obligations to the Builder contained in Articles 2, 3, 4, 6, 13 and 14 of the CSA or Annex A thereto or any other obligation which, according to its terms or context, is intended to survive an assignment. In furtherance of the foregoing assignment and transfer, the Builder hereby authorizes and empowers the Trustee in the Trustee's own name, or in the name of the Trustee's nominee, or in the name of and as attorney, hereby irrevocably constituted, for the Builder, to ask, demand, sue for, collect, receive and enforce any and all sums to which the Trustee is or may become entitled under this CSA Assignment and compliance by the Owner-Lessor with the terms and agreements on its part to be performed under the CSA, but at the expense and liability and for the sole benefit of the Trustee.

SECTION 2. Continuing Obligations. The Builder agrees that it shall construct the Equipment in full accordance with the CSA and will deliver the same upon completion to the Owner-Lessor in accordance with the provisions of the CSA; and that, notwithstanding this CSA Assignment, it will perform and fully comply with each of and all the covenants and conditions of the CSA set forth to be performed and complied with by the Builder. The Builder further agrees that it will warrant to the Trustee and the Owner-Lessor that immediately prior to the time of delivery and acceptance of each unit of Equipment manufactured by it under the CSA, it had legal title to such unit and good and lawful right to sell such unit and that such unit was free of all claims, liens, security interests and other encumbrances of any nature arising from, through or under the Builder, except the rights of any of the parties under the Participation Agreement and all Exhibits and Annexes thereto; and the Builder further agrees that it will defend such title to such unit against the demands of all persons whomsoever based on claims (other than any thereof referred to in the foregoing) arising from, through or under the Builder originating prior to the delivery of such unit by the Builder under the CSA; all subject however, to the provisions of the CSA and to the rights of the Owner-Lessor thereunder. It is understood and agreed that the Builder shall not be responsible for or incur any liability in connection with the recording or filing or the failure to record or file this CSA Assignment, the Lease or any other documents relating thereto or copies or notices thereof, under any laws in any jurisdiction in which such recording or filing may be required. The Builder will not deliver any of the Equipment to the Owner-Lessor under the CSA until the CSA and the Lease, this Agreement and the Lease

Assignment (as defined in the Lease) have been filed with the Registrar General of Canada pursuant to section 86 of the Railway Act (Canada) and the Interstate Commerce Commission pursuant to the Interstate Commerce Act and the central registries in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario referred to in Section 16 of the Lease (the Builder and its counsel being entitled to rely on advice from special counsel for the Lender (as defined in the Participation Agreement) that such filings have occurred).

SECTION 3. Indemnities. The Builder agrees with the Trustee that in any suit, proceeding or action brought by the Trustee under the CSA for any instalment of, or interest on, indebtedness in respect of the Purchase Price of the Equipment manufactured by it or to enforce any provision of the CSA, the Builder will indemnify, protect and hold harmless the Trustee from and against all expenses, loss or damage suffered by reason of any defence, set-off, compensation, counterclaim or recoupment whatsoever claimed by the Owner-Lessor or the Lessee arising out of a breach by the Builder of any obligation with respect to such Equipment or the manufacture, construction, delivery or warranty thereof, or by reason of any defence, set-off, compensation, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Owner-Lessor or the Lessee by the Builder. The Builder's obligation so to indemnify, protect and hold harmless the Trustee is conditional upon (a) the Trustee's timely motion or other appropriate action, on the basis of Article 14 of the CSA, to strike any defence, set-off, compensation, counterclaim or recoupment asserted by the Owner-Lessor or the Lessee in any such suit, proceeding or action and (b) if the court or other body having jurisdiction in such suit, proceeding or action denies such motion or other action and accepts such defence, set-off, counterclaim or recoupment as a triable issue in such suit, proceeding or action, the Trustee's prompt notification to the Builder of the asserted defence, set-off, compensation, counterclaim or recoupment and the Trustee's giving the Builder the right, at the Builder's expense, to compromise, settle or defend against such defence, set-off, compensation, counterclaim or recoupment.

The Builder agrees, except as otherwise specifically provided in Annex A to the CSA, to indemnify, protect and hold harmless the Trustee from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon and accruing against the Trustee or its assigns because of the use in or about the construction or operation of any of the Equipment of any design, system, process,

formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Trustee will give prompt notice to the Builder of any claim actually known to the Trustee which is based upon any such alleged infringement and will give the Builder the right, at the Builder's expense, to compromise, settle or defend against such claim. The Builder agrees that any amounts payable to it by the Owner-Lessor or the Lessee with respect to the Equipment, whether pursuant to the CSA or otherwise, not hereby assigned to the Trustee, shall not be secured by any lien, charge or security interest upon the Equipment or any unit thereof.

The Owner-Lessor expressly confirms the indemnities and warranties provided in Article 13 of the CSA in favour of the Trustee and its successors, assigns, agents and servants as if fully set forth herein.

SECTION 4. The Purchase Price and Payment. The Trustee, on each Closing Date fixed as provided in Article 4 of the CSA with respect to a Group (as defined in said Article 4) of the Equipment, shall pay to the Builder an amount in Canadian dollars equal to the Balance of the Purchase Price (as defined in the CSA) with respect to the Units in such Group, under the terms of said Article 4, provided that there shall have been delivered to the Trustee on or prior to such Closing Date, the following documents, in form and substance satisfactory to it and to its special counsel hereinafter mentioned, in such number of counterparts as may be reasonably requested by said special counsel:

(a) a Bill or Bills of Sale from the Builder covering the units being settled for to the Trustee executed and delivered contemporaneously with the delivery and acceptance of such units which, subject to the timely recording or filing of the CSA, the Lease and any other documents relating thereto or copies or notices thereof with the Registrar General of Canada pursuant to the provisions of section 86 of the Railway Act (Canada), with the Interstate Commerce Commission pursuant to the Interstate Commerce Act and with the central registries specified in Section 16 of the Lease, will transfer to the Trustee the property in and title to such units, warranting to the Trustee and to the Owner-Lessor that immediately prior to the time of delivery of such units under the CSA, the Builder had legal title to such units and good and lawful right to sell such units and such units were free of all claims, liens, security interests and other encumbrances of any nature arising from, through or under the Builder, except the rights of any of the parties under the

Participation Agreement and all Exhibits and Annexes thereto; and covenanting to defend such title to such units against demands of all persons whomsoever based on claims (other than any thereof referred to in the foregoing clause) arising from, through or under the Builder originating prior to the delivery of such units by the Builder under the CSA;

(b) a Certificate or Certificates of Acceptance with respect to the units of the Equipment in such Group as contemplated by Article 3 of the CSA and Section 2 of the Lease;

(c) an invoice of the Builder for the units of the Equipment in such Group and, if required by Article 4 of the CSA, accompanied by or having endorsed thereon a certification by the Lessee as to their approval thereof;

(d) an opinion of Campbell, Godfrey & Lewtas, counsel for the Builder, dated as of such Closing Date addressed to the Trustee and the Owner-Lessor to the effect that the aforesaid Bills of Sale have been duly authorized, executed and delivered by the Builder under the laws of the Province of Ontario and assuming (i) the timely recording or filing of the CSA, the Lease and any other documents relating thereto or copies or notices thereof in accordance with the laws of all jurisdictions in which such recording or filing may be required, (ii) the Trustee has the authority and capacity to receive the property in such units, and (iii) such Bills of Sale are executed and delivered to the Trustee contemporaneously with the delivery and acceptance of such units, then under the laws of the Province of Ontario, such Bills of Sale are valid and effective to transfer to the Trustee the right, property, title and interest of the Builder in and to such units and such units immediately prior to the time of delivery thereof were free of all registered liens, security interests and other encumbrances arising from, through or under the Builder, except the rights of any of the parties under the Participation Agreement and all Exhibits and Annexes thereto; and

(e) a receipt from the Builder for any payment (other than the payment being made by the Trustee pursuant to the first paragraph of this Section 4) required to be made on such Closing Date to the Builder with respect to the Equipment, unless such payment is made by the Trustee with funds furnished to it for that purpose by the Owner-Lessor.

The obligation of the Trustee to make payment hereunder is hereby expressly conditioned upon payment by the Owner-Lessor of the amount required to be paid by it pursuant to subparagraph (a) of the fourth paragraph of Article 4 of the CSA and upon deposit by the Lender, pursuant to Paragraph 2 of the Participation Agreement, of an amount equal to the Trustee's Required Payment (as defined therein) prior to the Expiry Time (as defined therein). In the event that the Trustee shall not make any such payment, the Trustee shall reassign to the Builder, without recourse to the Trustee, all right, property, title, and interest of the Trustee in and to the units of the Equipment and the CSA with respect to which payment has not been made by the Trustee.

SECTION 5. Further Assignments. The Trustee may assign all or any of its rights under the CSA, including the right to receive any payments due or to become due to it from the Owner-Lessor thereunder. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, and upon giving the written notice required in Article 14 of the CSA, enjoy all the rights and privileges and be subject to all the obligations of the Trustee hereunder.

SECTION 6. Representations and Warranties of the Builder. The Builder hereby:

(a) represents and warrants to the Trustee, the Owner-Lessor and their successors and assigns, that the CSA was duly authorized by it and lawfully executed and delivered by it, that, assuming due authorization, execution and delivery by the Owner-Lessor and, assuming the timely filing of the CSA and any other documents relating thereto or copies or notices thereof in accordance with the laws of all jurisdictions in which such recording or filing is required, the CSA is, insofar as the Builder is concerned, a legal, valid and existing agreement binding upon and enforceable against the Builder in accordance with its terms and that it is now in force without amendment thereto;

(b) agrees that it will from time to time, at the request of the Trustee or its successors or assigns, make, execute and deliver all such further instruments of assignment, transfer and assurance and do all such further acts and things as may be necessary and appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Trustee by the Builder or intended so to be.

SECTION 7. Consent to CSA Assignment by Owner-Lessor. The Owner-Lessor, in consideration of good and valuable consideration paid by the Builder, the receipt of which is hereby acknowledged, as well as the covenants herein contained, hereby consents to all the terms and conditions of this CSA Assignment, and hereby expressly confirms to the Trustee, as assignee of the Builder, the promises, covenants and agreements of the Owner-Lessor in favour of the Builder provided in the CSA as if fully set forth herein and, without restriction, promises to make payment directly to the Trustee.

SECTION 8. Trust. The Trustee will hold monies deposited with it pursuant hereto, the rights, property in and title to the Equipment, and any payment received by it pursuant to this CSA Assignment, in trust as provided in the Deed of Trust.

SECTION 9. Governing Law. The terms of this CSA Assignment and all rights and obligations hereunder shall be construed in accordance with and governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.

SECTION 10. Addresses. All payments to be made hereunder to the Trustee shall be deposited with The Canada Trust Company in account #010-512285 designated as "The Canada Trust Company - Trustee, Secured Equipment Notes", at its offices in Montréal, Toronto or London, Ontario. All documents deliverable hereunder to the Trustee shall be delivered to it at 110 Yonge Street, Toronto, Ontario, M5C 1T4, Attention of Manager Corporate Trust Department, or as the Trustee may otherwise specify.

All documents and funds deliverable hereunder to the Builder shall be delivered or mailed to it at National Steel Car Limited, P.O. Box 450, 602 Kenilworth Avenue North, Hamilton, Ontario, L8N 3J4, Attention of M.G. Nichols, Comptroller and Secretary Treasurer.

All documents and funds deliverable hereunder to the Lessee shall be delivered to it at 935 de La Gauchetiere St. W., Montréal, Québec, H3B 2M9, Attention of Treasurer.

All documents and funds deliverable hereunder to the Owner-Lessor shall be delivered to it at 2737 Toronto Dominion Tower, Edmonton, Alberta, T5J 2Z1, Attention of President.

SECTION 11. Execution. This CSA Assignment may be executed in any number of counterparts, but the counterpart delivered to the Trustee shall be deemed to be the original counterpart. Although for convenience this CSA Assignment is dated as of the date first above written, the actual dates of execution hereof by the parties hereto are the dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed as of the date first above written.

NATIONAL STEEL CAR LIMITED

by: _____

by: _____

[Corporate Seal]

THE CANADA TRUST COMPANY

by: _____

[Corporate Seal]

by: _____

CONTAINER PORT OF ALBERTA
RESEARCH CORPORATION

by: _____

[Corporate Seal]

PROVINCE OF

.)

) S.S.:

CITY OF

)

On this _____, before me personally appeared _____, to me personally known, who, being by me duly sworn, says that he is _____ of NATIONAL STEEL CAR LIMITED, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

Notary Public

My Commission expires

PROVINCE OF

)

) S.S.:

CITY OF

)

On this _____, before me personally appeared _____, to me personally known, who, being by me duly sworn, says that he is _____ of NATIONAL STEEL CAR LIMITED, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

Notary Public

My Commission expires

PROVINCE OF _____,)
CITY OF _____) S.S.:

On this _____, before me personally appeared _____, to me personally known, who, being by me duly sworn, says that he is _____ of THE CANADA TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

Notary Public

My Commission expires

PROVINCE OF _____,)
CITY OF _____) S.S.:

On this _____, before me personally appeared _____, to me personally known, who, being by me duly sworn, says that he is _____ of THE CANADA TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

Notary Public

My Commission expires

PROVINCE OF

,)

) s.s.:

CITY OF

)

On this , before me personally
appeared , to me personally known, who,
being by me duly sworn, says that he is of
CONTAINER PORT OF ALBERTA RESEARCH CORPORATION, that one of
the seals affixed to the foregoing instrument is the corpo-
rate seal of said Corporation, that said instrument was
signed and sealed on behalf of said Corporation by authority
of its Board of Directors and he acknowledged that the execu-
tion of the foregoing instrument was the free act and deed of
said Corporation.

[Notarial Seal]
My Commission expires

Notary Public

ASSIGNMENT OF LEASE

Dated as of June 19, 1985

Among

CONTAINER PORT OF ALBERTA RESEARCH CORPORATION

and

THE CANADA TRUST COMPANY

and

CANADIAN NATIONAL RAILWAY COMPANY

ASSIGNMENT OF LEASE dated as of June 19, 1985, among CONTAINER PORT OF ALBERTA RESEARCH CORPORATION, a body corporate duly existing under the laws of Canada (the "Owner-Lessor"), THE CANADA TRUST COMPANY, a trust company duly existing under the laws of Canada, as trustee and not in its personal capacity, (the "Trustee") and CANADIAN NATIONAL RAILWAY COMPANY, a body corporate duly existing under the laws of Canada (the "Lessee").

WHEREAS:

The Owner-Lessor will enter into a Lease of Railroad Equipment dated as of the date hereof (the "Lease") with the Lessee, substantially in the form of Exhibit B to that Participation Agreement dated as of the date hereof (the "Participation Agreement") among the Lessee, the Owner-Lessor, the Trustee, National Steel Car Limited (the "Builder") and London Life Insurance Company (the "Lender"), wherein the Owner-Lessor has agreed to lease to the Lessee the units of railroad equipment (the "Equipment") described in Schedule A to the Lease. The Equipment will be purchased and sold pursuant to a Conditional Sale Agreement dated as of the date hereof (the "CSA") between the Builder and the Owner-Lessor.

The Trustee is acting as trustee under a Deed of Trust dated as of the date hereof (the "Deed of Trust") executed between the Owner-Lessor and the Trustee, substantially in the form of Exhibit E to the Participation Agreement, pursuant to which Deed of Trust the Trustee will issue the Secured Equipment Notes, as same are defined therein.

The Owner-Lessor desires to assign to the Trustee, as collateral security for its obligations under the CSA and for the due payment of the Secured Equipment Notes, its right, title and interest in and to the Lease, including all rental payments (pursuant to Section 3 thereof) and payments of Casualty Values (pursuant to Section 7 thereof) (together hereinafter referred to as the "Assigned Rentals").

NOW, THEREFORE, THIS AGREEMENT AND ASSIGNMENT (this "Lease Assignment") WITNESSETH: that in consideration of the mutual promises, covenants and agreements herein contained the parties hereto agree as follows:

SECTION 1. Assignment. The Owner-Lessor hereby assigns, transfers and sets over unto the Trustee, its successors and assigns, the Lessee expressly consenting thereto, all the right, title and interest of the Owner-Lessor in and with respect to the Lease and the Assigned Rentals, subject to the terms of the said Lease.

This Lease Assignment is made by the Owner-Lessor as a general and continuing collateral security for the obligations of the Owner-Lessor under the CSA in favour of the Trustee in virtue of the CSA Assignment, and for the due payment of the Secured Equipment Notes in accordance with their terms. This Lease Assignment will terminate upon payment in full of the Secured Equipment Notes and all amounts owing to the Trustee under the Deed of Trust.

In furtherance of the foregoing assignment and transfer, the Owner-Lessor hereby authorizes and empowers the Trustee, in the Trustee's own name, or in the name of the Trustee's nominee, or in the name of and as attorney, hereby irrevocably constituted, for the Owner-Lessor to ask, demand, sue for, collect, receive and enforce any and all sums to which the Trustee is or may become entitled under this Lease Assignment and compliance by the Lessee with the terms and agreements on its part to be performed under the Lease.

SECTION 2. Covenants of the Lessee. The Lessee hereby agrees that:

- a) it acknowledges receipt of a copy of the Deed of Trust and that it consents to all the terms and conditions pertaining to this Lease Assignment contained therein and that it has not and will not make any prepayment of rental payment, subject to its rights under Sections 7 and 15 of the Lease;
- b) so long as the Secured Equipment Notes and all other amounts owing to the Trustee under the Deed of Trust have not been paid in full, it will pay all Assigned Rentals directly to the Trustee pursuant to Section 5 hereof;
- c) so long as the Secured Equipment Notes and all other amounts owing to the Trustee under the Deed of Trust have not been paid in full, the Lessee has the absolute and unconditional obligation to pay to the Trustee the rental with respect to each Unit (as defined in the Lease) in accordance with Section 3 of the Lease for the full term of the

Lease notwithstanding any defect in or damage to or loss of possession or use or destruction of such Unit; except that in respect of any Unit which suffers a Casualty Occurrence and in respect of which the Lease is terminated, the Lessee has the absolute and unconditional obligation to pay the Casualty Value as provided in Section 7 of the Lease and except in the event that the Lessee exercises an option provided in Section 15 of the Lease;

- d) it will cause this Lease Assignment to be filed in accordance with Section 16 of the Lease. The Lessee will promptly furnish to the Trustee and the Owner-Lessor evidence of all such filing, registering, depositing, recording and other acts which may be required under this Section;
- e) the Trustee is entitled to receive the benefits and enforce the performance of all the covenants to be performed by the Lessee under the Lease as though the Trustee were named therein as Lessor, and the Lessee hereby expressly confirms the indemnities provided in Sections 6 and 9 of the Lease in favour of the Trustee as if fully set forth herein;
- f) should the Lessee exercise its option to purchase the Equipment pursuant to the second paragraph of Section 15 of the Lease, the Lessee shall become directly liable for all the payments to be made under the Secured Equipment Notes, such assumption by the Lessee being the price payable by it to exercise such option; and
- g) the Trustee shall not be liable to observe or perform any of the covenants and obligations of the Lessor under the Lease other than the Lessor's obligation not to disturb the Lessee's right to quiet enjoyment, use and possession of the Equipment so long as no Event of Default (as defined in the Lease) shall have occurred and be continuing.

SECTION 3. Covenants of the Trustee. The Trustee hereby agrees:

- a) to apply the Assigned Rentals paid to it under this Lease Assignment first to the payment of the instalments of principal and interest on the Secured Equipment Notes as same severally fall due until all indebtedness in respect of the Secured

Equipment Notes has been repaid in full and all other obligations under the Deed of Trust have been satisfied, the whole pursuant to the terms of the Deed of Trust;

- b) to hold all monies deposited with it pursuant hereto, the rights, property in and title to the Equipment, and any payment received by it pursuant to this Lease Assignment in trust as provided in the Deed of Trust;
- c) that should, in the event of a Casualty Occurrence (as defined in Section 7 of the Lease), the Lessee acquire property in and title to a unit of the Equipment, the amount paid pursuant to the said Section 7 shall be applied to retire that portion of the principal of the debt represented by the Secured Equipment Notes as set forth in the Deed of Trust, and that rental for such unit will cease to accrue as of the date of such payment, provided the full amount required to be paid pursuant to said Section 7 is so paid. The Trustee shall, after receipt of such full payment by it, execute and deliver to the Lessee or its assignee or nominee a statement to the effect that the title to such unit is free and clear of all liens, security interests and other encumbrances arising through the Trustee;
- d) that should the Lessee exercise its option to purchase a unit of the Equipment pursuant to the first paragraph of Section 15 of the Lease, the Trustee will apply the amount paid to it pursuant to said paragraph as contemplated in the Deed of Trust and, furthermore, the Trustee will execute and deliver to the Lessee, or to the Lessee's assignee or nominee, a statement to the effect that the title to such unit is free and clear of all liens, security interests and other encumbrances arising through the Trustee; and
- e) that should the Lessee exercise its option to purchase a unit of the Equipment pursuant to the second paragraph of Section 15 of the Lease, the Lessee shall become directly liable for all the payments to be made under the Secured Equipment Notes, such assumption by the Lessee being the price payable by it to exercise such option.

SECTION 4. Covenants of the Owner-Lessor. The Owner-Lessor hereby agrees that:

- a) that so long as no Event of Default (as defined in Section 10 of the Lease) shall have occurred and be continuing, it will not exercise any right under the Lease without first obtaining the consent in writing of the Trustee for the exercise of such right;
- b) that, notwithstanding this Lease Assignment, it will perform and fully comply with every obligation contained in the Lease which, according to its terms or its context, is intended to survive an assignment;
- c) this Lease Assignment does not in any way diminish or otherwise modify the obligations of the Owner-Lessor with respect to the Secured Equipment Notes as those obligations are set forth in the Deed of Trust; and
- d) it will remain liable to observe and perform all of its covenants and obligations under the Lease notwithstanding this Lease Assignment.

SECTION 5. Default. In the event of a Declaration of Default (as defined in the CSA), the security hereby constituted will become enforceable. In addition to the other remedies which the Trustee may exercise under the CSA, the Trustee may, at its option:

- a) without the necessity of having to realize on the Lease by way of sale, continue to collect all amounts thereunder and hereunder and exercise the Lessor's rights thereunder; or
- b) subject to the rights of the Lessee under the Lease, sell the Lease contemporaneously with the sale of the Equipment.

SECTION 6. Addresses. All payments to be made hereunder to the Trustee shall be deposited with The Canada Trust Company in account #010-512285 designated as "The Canada Trust Company - Trustee, Secured Equipment Notes", at its offices in Montréal, Toronto or London, Ontario. All documents deliverable hereunder to the Trustee shall be delivered to it at 110 Yonge Street, Toronto, Ontario, M5C 1T4, Attention of Manager Corporate Trust Department, or as the Trustee may otherwise specify.

All documents and funds deliverable hereunder to the Lessee shall be delivered to it at 935 de La Gauchetiere St. W., Montréal, Québec, H3B 2M9, Attention of Treasurer.

All documents and funds deliverable hereunder to the Owner-Lessor shall be delivered to it at 2737 Toronto Dominion Tower, Edmonton, Alberta, T5J 2Z1, Attention of President.

SECTION 7. Execution. This Lease Assignment may be executed in any number of counterparts, but the counterpart delivered to the Lessee shall be deemed to be the original counterpart. Although for convenience this Lease Assignment is dated as of the date first above written, the actual dates of execution hereof by the parties hereto are the dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed as of the date first above written.

CANADIAN NATIONAL RAILWAY
COMPANY

[Corporate Seal]

by: _____

by: _____

THE CANADA TRUST COMPANY

[Corporate Seal]

by: _____

by: _____

CONTAINER PORT OF ALBERTA
RESEARCH CORPORATION

[Corporate Seal]

by: _____

,)
) S.S.:
)

)

[Notarial Seal]

My Commission expires

,)
) S.S.:
)

)

[Notarial Seal]

My Commission expires

PROVINCE OF

CITY OF

,)
) s.s.:
)

On this , before me personally appeared , to me personally known, who, being by me duly sworn, says that he is of CONTAINER PORT OF ALBERTA RESEARCH CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

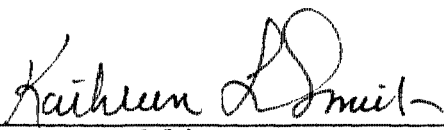
[Notarial Seal]

Notary Public

My Commission expires

District of Columbia)
)
City of Washington)

I, Kathleen L. Smith, a notary public for the District of Columbia, do hereby swear that on this 27th day of June, 1985, I have compared a copy of the original document entitled "Deed of Trust dated as of June 19, 1985 between The Canada Trust Company and Container Port of Alberta Research Corporation" and found the copy to be complete and identical in all respect to the original document.



Notary Public

My Commission Expires May 14, 1990